

## DEPARTMENT OF FINANCE BILL ANALYSIS

**AMENDMENT DATE:** April 13, 2011  
**POSITION:** Neutral  
**SPONSOR:** Pacific Merchant Shipping Association, San Francisco Bar Pilots

**BILL NUMBER:** AB 1025  
**AUTHOR:** N. Skinner

### **BILL SUMMARY:** Harbors and Ports: Inland Pilots

This bill would make the following changes to the Board of Pilot Commissioners' (BOPC) operations:

- Shifts specified responsibilities for reporting and investigating pilot equipment safety violations from an assigned commission investigator to the BOPC's Executive Director.
- Requires an examination fee to be charged in an amount to be determined by the BOPC's Board for each applicant that participates in the pilot trainee training program's written or simulator examinations.
- Requires that the BOPC's assistant director be appointed as a career executive by the Secretary of the Business, Transportation, and Housing Agency rather than the Governor.
- Deletes obsolete references to inland pilots from applicable bar pilot provisions.

### **FISCAL SUMMARY**

This bill could result in minor savings to the state by providing the BOPC's Executive Director with the flexibility to investigate and report certain pilot equipment safety violations rather than assigning a contracted investigator to do so. A commission investigator generally costs \$500-\$1,000 per incident. There were five pilot ladder incidents in 2010 and there has been one incident to date in 2011.

Additionally, by charging a fee for the pilot trainee training program examinations, the BOPC would be able to offset some of its administrative costs for holding the examination. Examinations are currently funded from the BOPC's Special Fund, which derives its revenue from a 3 percent surcharge on all pilotage fees collected by the San Francisco Bar Pilots and a separate surcharge on vessel movements. While the examination fee to be set by the BOPC's Board is unknown, the BOPC anticipates those fees to represent only a fraction of the \$100,000 cost to hold an exam. By charging an examination fee, the BOPC hopes to deter individuals that have no intent on becoming a San Francisco Bar Pilot, but take the free examination as preparation to become licensed elsewhere or to get free simulator time. Examinations are held once every three years, but may be held more frequently depending on expected bar pilot retirements.

### **COMMENTS**

The Department of Finance is neutral on this bill because it would result in more efficient operations for the BOPC.

Analyst/Principal (0751) M. Tollefson	Date	Program Budget Manager Mark Hill	Date
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Department Deputy Director	Date
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Governor's Office:	By:	Date:	Position Approved _____
			Position Disapproved _____

BILL ANALYSIS	Form DF-43 (Rev 03/95 Buff)
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**BILL NUMBER**

AB 1025

		SO	(Fiscal Impact by Fiscal Year)							
Code/Department		LA	(Dollars in Thousands)							
Agency or Revenue		CO	PROP						Fund	
Type		RV	98	FC	2011-2012	FC	2012-2013	FC	2013-2014	Code
2670/Pilot Comm		SO	No	----- See Fiscal Summary -----						0290
<u>Fund Code</u>	<u>Title</u>									
0290	Pilot Commissioners' Special Fd, Board									